ARKANSAS LABOR BOARD

Administrative Regulations Pertaining to the Minimum Wage Act of the State of Arkansas [Act 536 of 1989 abolished the Labor Board and transferred all its functions, powers, and duties to the Director of the Department of Labor.]

General Definition as Used in these Regulations:

- "Act" means the "Minimum Wage Act of the State of Arkansas."
- "Commissioner" means the Commissioner of Labor of the State of Arkansas.
- "Board" means the Labor Board of the State of Arkansas, established by Section 5 of the Act.

REGULATION 1. THE LABOR BOARD

- 1.1 For any occupation, the Board shall, after public hearing, make and revise such administrative regulations, including definitions of terms as it deems appropriate to carry out the purposes of the Act or necessary to prevent the circumvention or evasion thereof and to safeguard the minimum wage rates.
- 1.2 The Board shall annually select one of its members to serve as Chairman of the Board and one other member to act as Vice-Chairman.
- 1.3 The Commissioner shall act as Secretary of the Board and shall keep the books and records of the Board.
- 1.4 Meetings of the Board shall not be held on a regular basis but will take place at such times and places as the Commissioners shall specify.
- 1.5 The Commissioner shall furnish the Board with necessary facilities for the exercise of its rights and duties.
- 1.6 Five members of the Board shall constitute a quorum and the majority of those present in a meeting shall be necessary for the transaction of official business. A vacancy in the membership of the Board shall not impair the rights of a quorum to exercise all rights and perform all duties of the Board.

REGULATION 2. RECORDS

- 2.1 Every employer shall keep records containing the name and address of each employee, the occupation, the hours worked each day and each week, earnings, and the basis on which wages are paid (such as "\$1.50 an hour," "\$60.00 a week," "piece work" etc.).
- 2.2 The employer may use any system of record keeping it wishes provided it is a complete, true and accurate record and contains the items specified in paragraph 2.1.
- 2.3 Many employees, particularly in offices, are on a fixed working schedule from which they seldom vary. In these instances, the employer may keep a record showing the exact schedule of daily and weekly work hours that the employee is expected to follow and merely indicate each week that the schedule was followed. When the employee works longer or shorter hours than the schedule indicates, the employer shall record the hours the employee actually worked.
- 2.4 Records containing the information required by these regulations shall be kept for not less than three years.

- 2.5 Records must be kept at the place of employment or in a central office in Arkansas. In those unusual circumstances where it is not feasible to keep records in Arkansas, special exemption from this provision must be obtained from the Commissioner or his authorized representative. All records shall be open to inspection by the Commissioner or his authorized representatives at any reasonable time.
- 2.6 Every employer who claims an allowance for gratuities as part of the hourly wage rate shall also maintain and preserve payroll or other records showing for each employee the amount of gratuities claimed as an allowance.
- 2.7 Every employer who claims an allowance for board, lodging, apparel, or other items and services as part of the hourly wage rate, shall also maintain and preserve records showing for each employee the amounts claimed as an allowance and records substantiating the reasonable cost to the employer of furnishing such items and services.
- 2.8 Such records shall include the nature and amount of any expenditures entering into the computation of the reasonable cost to the employer of furnishing the board, lodging, apparel or other items and services as defined in these regulations and shall contain the date required to compute the amount of the depreciated investment in any assets allocable to the furnishing of the lodging, including the date of acquisition or construction, the original cost, the rate of depreciation and the total amount of accumulated depreciation on such assets. No particular degree of itemization is prescribed. The amount of detail shall be sufficient to enable the Commissioner or his representatives to verify the nature of the expenditure and the amount by reference to the basic records which must be preserved pursuant to these regulations.

REGULATION 3. HOURS WORKED

- 3.1 Employees who are entitled to the benefits of the Minimum Wage Act of the State of Arkansas must be paid for all hours worked.
- 3.2 All time the employee is required to be at his place of work or on duty is to be counted as hours worked. Nothing in this law requires an employer to pay an employee for hours the employee is not required to be at his place of work because of holidays, vacation, meal periods, illness, and similar reasons. Rest periods of 20 minutes or less, when granted, shall be counted as hours worked.
- 3.3 An employee who is required to be on duty 24 hours or more or who is domiciled on the employer's premises shall be compensated for not less than 8 hours within each period of 24 hours on duty in lieu of any other applicable provision.
- 3.4 An employee who is required to be on duty for less than 24 hours each day shall be compensated for all hours on duty even though he is permitted to sleep or engage in other personal activities when not busy.
- 3.5 A workweek is regularly recurring period of 168 hours in the form of seven consecutive 24-hour periods. The workweek need not be the same as the calendar week; it may begin any day of the week and any hour of the day. The workweek shall be designated in advance. Once the beginning time of an employee's workweek is established, it remains fixed regardless of the schedule of hours worked. The beginning of the workweek may be changed if the change is intended to be permanent and is not intended to evade the requirements of the law.

- 3.6 Hours worked shall include time worked in a place other than the employer's premises at the request of the employer.
- 3.7 For an employee who works on behalf of an employer in one or more business activities of that employer within the same week, all of the employee's work during the week is considered as one employment for purposes of this Act.
- 3.8 If an employer requires employees to attend staff meeting or other types of business meetings, it shall be counted as work time.

REGULATION 4. EXEMPTIONS

- 4.1 (a) [Repealed by Act 36 of 1989]
- (b) All employees of an employer, (who conducts related activities, either through unified operations or common control, whether in one or more establishments), shall be counted and if the total is five or more shall be considered employed by one employer and subject to this Act.
- (c) Employees who are exempt from the Minimum Wage and Overtime provisions of this Act because they are employed in a bona fide executive or administrative capacity, shall be counted as employees in determining whether an employer is subject to or exempted from the Act by reasons of the employee count.
- (d) Children of an employer who are on the payroll shall count as part of the employee count.
- 4.2 Any person, firm, corporation or other entity subject to the provisions of the Federal Fair Labor Standards Act of 1938, as amended, shall be exempt from the Act. The burden of substantiating coverage by the Federal Fair Labor Standards Act of 1938, as amended, and consequent exemption from the State Act, shall be upon the employer.
- 4.3 Executive. The term "individual employed in a bona fide executive...capacity" in section 2 (g) (1) of the Act shall mean any employee:
- (a) whose primary duty consists of the management of the enterprise in which he is employed or of a customarily recognized department or subdivision thereof; and
- (b) who customarily and regularly directs the work of two or more other employees therein; and
- (c) who has the authority to hire or fire other employees or whose suggestions and recommendations as to the hiring or firing and as to the advancement and promotion or any other change of status of other employees will be given particular weight; and
 - (d) who customarily and regularly exercises discretionary powers; and
- (e) who devotes less than 20% of his workweek to non-exempt work (less than 40% if employed by a retail or service establishment); and
- (f) who is compensated for his services on a salary basis at a rate of not less than \$155.00 per week, exclusive of gratuities, board, lodging or other facilities.
 - (g) The term "executive" shall also include employees owning a bona fide equity in the

enterprise of 20% or more.

- 4.4 Administrative. The term "individual employed in a bona fide...administrative...capacity" in section 2 (g) (1) of the Act shall mean any employee:
- (a) whose primary duty consists of the performance of office or non-manual work directly related to management policies or general business operations of his employer or his employer's customers; and
 - (b) who customarily and regularly exercises discretion and independent judgement; and
- (c) [1] who regularly and directly assists a proprietor, or an employee employed in a bona fide executive or administrative capacity (as such terms are defined in these regulations), or
- [2] who performs under only general supervision work along specialized or technical lines requiring special training, experience, or knowledge, or
 - [3] who executes under only general supervision special assignments and tasks; and
- (d) who devotes less than 20% of his work to non-exempt work (less than 40% if employed by a retail or service establishment); and
- (e) who is compensated for his services on a salary or fee basis at a rate of not less than \$155.00 per week, exclusive of gratuities, board, lodging, or other facilities.
- 4.5 Professional. The term "individual employed in a bona fide...professional capacity" in section 2 (g) (1) of the Act shall mean any employee:
 - (a) whose primary duty consists of the performance of:
- [1] work requiring knowledge of an advanced type of a field of science or learning customarily acquired by a prolonged course of specialized intellectual instruction and study, as distinguished from a general academic education and from an apprenticeship, and from training in the performance of routine mental, manual or physical processes, or
- [2] work that is original and creative in character in a recognized field of artistic endeavor (as opposed to work which can be produced by a person endowed with general manual or intellectual ability and training), and the result of which depends primarily on the invention, imagination or talent of the employee; and
- (b) whose work requires the consistent exercise of discretion and judgment in its performance, and
- (c) whose work is predominantly intellectual and varies in character (as opposed to routine mental, manual, mechanical or physical work) and is of such character that the output produced or the result accomplished cannot be standardized in relation to a given period of time; and
 - (d) who devotes less than 20% of his workweek to non-exempt work; and
- (e) who is compensated for his services on a salary or fee basis at a rate of not less than \$160.00 per week, exclusive of gratuities, board, lodging or other facilities:
- **provided**, that this paragraph shall not apply in the case of an employee who is the holder of a valid license or certificate permitting the practice of law or medicine and who is actually engaged in the practice thereof, or in the case of an employee who is the holder of the

requisite academic degree for the general practice of medicine and is engaged in an internship or resident program pursuant to the practice of medicine or any of its branches.

- (f) [1] Any employee who is employed and engaged as a teacher in a school or school district shall be considered to be a professional for the purposes of this Act.
- [2] Employed and engaged as a teacher denotes employment and engagement in the named specific occupational category as a requisite for this exemption. Teaching consists of the activities of teaching, tutoring, instructing, lecturing, and the like in the activity of imparting knowledge. Teaching personnel may include, although not limited to, the following:

Regular academic teachers, teachers of kindergarten or nursery school pupils or of gifted or handicapped children; teachers of skilled and semiskilled trades and occupations; teachers engaged in automobile driving instruction; aircraft flight instructors; home economics teachers, and vocal or instrumental music instructors. Those faculty members who are engaged as teachers but also spend a considerable amount of their time in extracurricular activities such as coaching athletic teams or acting as moderators or advisors in such areas as drama, forensics, or journalism are engaged in teaching. Such activities are a recognized part of the school's responsibility in contributing to the educational development of the student.

- 4.6 Outside Commission-paid Salesmen. The term "outside commission paid salesman" in section 2 (g) (1) of the Act shall mean any employee:
- (a) who is employed for the purpose of and who is customarily and regularly engaged away from his employer's place or places of business in:
 - [1] making sales, or
- [2] obtaining orders or contracts for services or for the use of facilities for which a consideration will be paid by the client or customer; and
- (b) whose hours of work are of a nature other than that described in paragraph (a) (1) or (a) [2] of this section and do not exceed 20% of hours worked in the workweek by the outside salesman; and
 - (c) who derives 75% or more of his earnings from commissions:

provided, that work performed incidental to and in conjunction with the employee's own outside sales or solicitations, including incidental deliveries and collections, shall be regarded as exempt work. Employees who basically drive vehicles and who only incidentally or occasionally make sales do not qualify for this exemption.

- 4.7 Students performing services for any school, college or university in which they are enrolled and are regularly attending classes.
- 4.8 "Any individual employed by the United States or by the State or any political subdivision thereof except schools and school districts." However, this exemption shall not include employees of contractors and subcontractors or entities doing business with governmental agencies.
- 4.9 Any individual engaged in the activities of any educational, charitable, religious or non profit organization where the employer-employee relationship does not in fact exist or where the services are rendered to such organizations gratuitously. Persons who donate their services (1) for the protection of the health and safety of the general public such as volunteer firemen and rescue workers or (2) in the care of the sick, aged, young, mentally ill, destitute, and the like, including

volunteer services in religious, eleemosynary, educational, hospital, cultural and similar activities, shall not be considered to be employees. Nor shall patients (alcoholics, drug addicts, etc.) in programs administered by organized and generally recognized charities be considered employees by reason of receipt of inconsequential payments.

- 4.10 Any bona fide independent contractor is exempt from the Act by reason of the fact that the independent contractor is not an employee. However, employees of an independent contractor are entitled to all the benefits of the Act.
- 4.11 "Any individual employed by an employer who did not use more than five hundred (500) man-days of agricultural labor in any calendar quarter of the preceding calendar year" shall exempt only employees employed in agriculture.
- 4.12 "Agriculture" includes farming in all its branches and among other things includes the cultivation and tillage of the soil, dairying, the production, cultivation, growing and harvesting of any agricultural or horticultural commodities (including commodities defined as agricultural commodities in section 15 (g) of the Agricultural Marketing Act, as amended), the raising of livestock, bees, fur-bearing animals, or poultry, and any practices (including any forestry or lumbering operations) performed by a farmer or on a farm incident to or in conjunction with such farming operations, including preparation for market, delivery to storage or to market or to carriers for transportation to market.
- 4.13 The parent, spouse, child or other member of an agricultural employer's immediate family.
- 4.14 Hand harvest laborers employed in accordance with the provisions of section 2 (g) (8) of the Act.
- 4.15 A migrant employed in accordance with section 2 (g) (9) of the Act.
- 4.16 Any employee principally engaged in the range production of livestock.
- 4.17 Employees engaged in forestry and lumbering operations in accordance with section 2(g) (11) of the Act.

REGULATION 5. GRATUITIES

- 5.1 In those occupations in which gratuities, as defined in section (2) (I) of the Act, are customary, usual and recognized as part of the remuneration for hiring purposes, employers shall be entitled to an allowance for gratuities as part of the hourly wage rate in an amount actually received by the employee not to exceed the applicable amount set out in the minimum wage act.
- 5.2 Only cash gratuities actually received and retained by an employee are to be considered wages.
- 5.3 Where employees practice gratuity splitting (for example, where waiters pay a portion of the gratuities received by them to busboys), each employee is to have included in wages only the applicable proportionate share.
- 5.4 In determining the cash gratuities actually received by an employee, the following shall be evidentiary:
- (a) statements, including U.S. Treasury Department, Internal Revenue Service, "Employee's Report on Tips," that are furnished by employee to employer.
 - (b) Amounts indicated on customer billing, credit card invoices or other

customer charge accounts wherein there is an indicated service charge or gratuity designated for the employee and payable to the employee.

- 5.5 Provided there is agreement in advance with the employees, the employer, in order to facilitate the administrative handling of gratuity allowances, may establish an average value of gratuities received by an employee in his establishment based upon a percentage of gross sales apportioned on basis of hours worked among the tipping occupation employees:
- (a) derived from a representative sampling of the sources indicated in paragraphs 5.4 (1) and (b), or
 - (b) 10 per cent, or
- (c) such other method as may be agreed upon subject to the approval of the Commissioner.
- 5.6 In no event shall paragraph 5.4 and 5.5 above be interpreted to deny to an employee the right to receive additional cash compensation where the employee shows to the satisfaction of the Commissioner that the actual amount of gratuities received was less than the amount determined by the employer.
- 5.7 Whenever an employee is required to work twenty minutes or more in any occupation in which gratuities have not been recognized as part of the remuneration for hiring purpose, the rate for the entire hour shall be at least the applicable minimum rate without an allowance for gratuities.

REGULATION 6. BOARD, LODGING, APPAREL, OR OTHER ITEMS AND SERVICES

- 6.1 In those occupations in which board, lodging, apparel, or other items and services are customarily and regularly furnished to the employee for his benefit, employers shall be entitled to an allowance for the reasonable value of these items.
- 6.2 In lieu of computing an allowance for board and for lodging on the basis of reasonable value, an employer may claim the following amounts as part of the minimum wage:
- (a) \$1.00 for each meal furnished consisting of adequate portions of a balanced variety of nutritious foods, and
 - (b) \$10.00 per week for lodging furnished.
- "Reasonable value" is hereby determined to be not more than the actual cost to the employer of the board, reasonably necessary lodging, apparel, and other items and services furnished by an employer to an employee.
- 6.4 "Reasonable value" does not include a profit to the employer or to any affiliated business or person.
- 6.5 Items found to be primarily for the benefit or convenience of the employer are not to be included in the cost. Lodging furnished which is in violation of any federal, state or local law, ordinance or prohibition shall be valued at nothing.
- 6.6 The employer may not credit an allowance against the applicable minimum wage the cost of furnishing and maintaining uniforms or other items which are required by the employer as a condition of employment.

- 6.7 Methods of determining reasonable value shall be subject to inspection and approval by the Commissioner.
- 6.8 Except whenever any determination made by regulation is applicable, the "reasonable value" to the employer of furnishing the employee with necessary board and lodging is the proportionate cost of operation and maintenance including adequate depreciation plus a reasonable allowance (not more than 6 per cent) for interest on the depreciated amount of capital invested by the employer. The "reasonable value" so computed shall not exceed the rental value of comparable facilities in the locality. The cost of operation and maintenance, the rate of depreciation, and the depreciated amount of capital invested by the employer shall be arrived at under good accounting practices. "Good accounting practices" does not include those rejected by the Arkansas Department of Revenue or the Federal Internal Revenue Service for tax purposes, and the term "depreciation" includes obsolescence.
- 6.10 In no event shall paragraph 6.2 and 6.8 be interpreted to deny to an employee the right to receive additional cash compensation where the employee shows to the satisfaction of the Commissioner that the reasonable value of board, lodging, apparel, or other items or services received was less than the amount determined by the employer.
- 6.11 Board, lodging, apparel, or other items and services furnished to employees shall not be included in wages for those hours worked in excess of the normally scheduled workweek.
- 6.12 Allowances as part payment of the applicable minimum wage may be made only for meals consistent with the employee's work shift when the employee is on duty, and, with the employee's consent, only for meals consistent with a regular meal schedule when the employee is off duty.
- 6.13 No allowance will be permitted as part payment of the applicable minimum wage for meals not eaten or living quarters not actually used.
- An allowance for lodging will be permitted as part payment of the applicable minimum wage only when the facility supplied conforms to reasonable specifications with respect to size, privacy, sanitation, heat, light and ventilation. All such facilities shall be open to inspection by an authorized representative of the Commissioner at any reasonable time.

REGULATION 7. EMPLOYMENT OF HANDICAPPED WORKERS

- 7.1 "Handicapped worker" means a person whose earning capacity in the occupation he performs is impaired by lack of skill, age, or physical or mental deficiency or injury. The term includes handicapped persons employed in competitive employment, handicapped persons engaged in work which is incidental to training or evaluation programs administered by the Veterans Administration or an authorized vocational rehabilitation agency, and handicapped persons employed in work activities centers.
- 7.2 "Work activities centers" means centers planned and designed exclusively to provide therapeutic activities for handicapped clients whose physical and mental impairment is so severe as to make their productivity inconsequential.
- 7.3 In order to prevent curtailment of opportunities for employment, to avoid undue hardship, and to safeguard the minimum wage rate under the Act, the Board finds that handicapped workers may be employed at wages lower than the rate provided in Section 3 of the Act, subject to the procedures and conditions prescribed in this regulation.
- 7.4 Authorization to employ handicapped persons at wages less than the applicable minimum wage for such period of time and at such wage as stated in the authorization may be issued by the

Commissioner upon proper application. This authorization shall be known as a "Special Handicap Permit." A blanket Special Handicap Permit may be issued for an entire work activities center or a department of a work activities center.

- 7.5 Application for a Special Handicap Permit shall be filed with the Commissioner on properly executed prescribed forms furnished by the Commissioner.
- 7.6 The Commissioner or his authorized representative may issue the Permit as requested, issue it in modified form or deny a Permit after determining whether the Permit is necessary and after determining the subminimum rate at which the worker may be employed.
- 7.7 The Commissioner, in making the determinations specified in regulation 7.6, may consult with appropriate public or private agencies and may consider the following criteria:
 - (a) the present and previous earnings of handicap employees;
- (b) the nature and extent of the handicap of the worker in the occupation on which he is to be employed;
 - (c) the wages of non-handicapped employees engaged in comparable work;
 - (d) the types and duration of rehabilitative services;
- (e) the extent to which handicapped persons share, through wages, in the receipts for work done;
 - (f) the extent to which the handicapped employees are learners;
- (g) whether there exists any employer arrangement with customers or subcontractors which appears to be an unfair method of competition which tends to spread or perpetuate substandard wage levels;
 - (h) the productivity of the handicapped employee.
- 7.8 An application for a Permit to employ a handicapped person at a subminimum wage shall temporarily authorize his employment at the subminimum wage for a period of 30 days from the date of the application or until the Commissioner acts on the application, whichever date is sooner.
- 7.9 All terms and conditions under which a Special Handicap Permit is granted shall be complied with.
- 7.10 No individual who is not a handicapped person shall be employed under a Special Handicap Permit at wages lower than the minimum wage required by the Act.
- 7.11 The Commissioner or his authorized representative may cancel any Special Handicap Permit for cause. A Special Handicap Permit may be canceled as of the date of issuance if it is found that fraud has been exercised in obtaining the Special Handicap Permit or in permitting a handicapped person to work thereunder; or as of the date of the violation if it is found that any of the provisions of the Act, or of the terms of the Special Handicap Permit, have been violated; or as of the date of notice of cancellation if, in the judgment of the Commissioner, the Special Handicap Permit is no longer necessary in the interest of the employees covered.

REGULATION 8. EMPLOYMENT OF STUDENT-LEARNERS

8.1 A "student-learner" means a student who is receiving instruction in an accredited school

and who is employed on a part-time basis pursuant to a bona fide vocational training program.

- 8.2 Authorization to employ student-learners at wages lower than the applicable minimum wage in Section 3 of the Act for such period of time and at such wage as stated in the authorization may be issued by the Commissioner upon proper application. This authorization shall be known as a "Special Student-Learner License."
- 8.3 Application for a Special Student-Learner License shall be filed by the employer with the Commissioner on properly executed prescribed forms furnished by the Commissioner.
- 8.4 The Commissioner or his authorized representative may issue the License as requested, issue it in modified form, or deny a License after determining whether the License is necessary to prevent curtailment of employment opportunities and after determining whether the conditions of employment will safeguard the minimum wage under the Act.
- 8.5 The Commissioner, in making the determinations specified in regulation 4 may consider the following information and criteria:
- (a) the specific nature of the vocational training program, particularly the processes in which the student-learner will be engaged when in training on the job;
 - (b) the nature of the school instruction program directly related to the job;
 - (c) the total number of workers employed in the establishment;
- (d) the number and hourly wage rate of experienced workers employed in the occupation in which the student-learner is to be trained;
- (e) the hourly wage rate or progressive wage schedule which the employer proposes to pay the student-learner;
 - (f) the period of employment training at subminimum wages; and
 - (g) the number of hours or employment training and of school instruction per week.
- 8.6 All terms and conditions under which a Special Student-Learner License is granted shall be complied with.
- 8.7 No individual who is not a student-learner shall be employed under a Special Student-Learner License at wages lower than the minimum required by the Act.
- 8.8 The Commissioner or his authorized representative may cancel any Special Student-Learner License for cause. Such License may be canceled as of the date of issuance if it is found that fraud has been exercised in obtaining the License or in permitting a student-learner to work thereunder; or as of the date of the violation, if it is found that any of the provisions of the Act or of the terms of the License have been violated; or as of the date of notice of cancellation if, in the judgement of the Commissioner, the License is no longer necessary in the interest of the employees covered.

REGULATION 9. DEDUCTIONS FROM THE MINIMUM WAGE

An employer may not make deductions from the minimum wage rates provided in Section 3 (a), 3 (b), and 3 (c) of the Act except those authorized by regulations of the Board, deductions authorized or required by law, and deductions not otherwise prohibited which are for the employee's benefit and authorized by him in writing.

9.2 An employer may not make deductions from the applicable minimum wage for such other items as the following, including but not limited to: (a) spoilage breakage; (b) cash or inventory shortages or losses; (c) fines or penalties for lateness, misconduct, or quitting by an employee without notice.

REGULATION 10. EFFECT OF COLLECTIVE BARGAINING AGREEMENTS

10.1 Allowances as part payment of the applicable minimum wage for gratuities, board, lodging, apparel or other items and services shall not be permitted to the extent that such deductions from cash wages are not permitted under the terms of a collective bargaining agreement applicable to the particular employee.

REGULATION 11. SUB-MINIMUM WAGE FOR FULL-TIME STUDENTS

- 11.1 Any employer subject to the Act must obtain authorization from the Director to employ any full-time student at less than the generally applicable minimum wage but not less than 85% of such rate of wage, as permitted by the Act.
- 11.2 Such authorization shall be evidenced by a certificate of eligibility to be issued by the Director on a form prescribed by him.
- 11.3 Such certificate of eligibility shall be issued when an employer has shown to the satisfaction of the Director that an employee or prospective employee is a full-time student permitted under the law to be paid at a rate of wage equal to not less than 85% of the general minimum rate of wage required by the Act.
- 11.4 An employer must comply with all terms and conditions under which a certificate of eligibility is granted.
- 11.5 Under no circumstances shall the issuance of a certificate of eligibility referred to in the regulation be construed to permit an employer to pay an employee a rate of wage less than that required to be paid to that employee under the Act.

REGULATION 12. APPLICABILITY OF OVERTIME LAW

- 12.1 Employees exempt from the minimum wage rate provisions of the Act shall also be exempt from those provisions of the Act relating to the wage rate for employees working in excess of 40 or 48 hours in a week.
- 12.2 A restaurant means an establishment which is primarily engaged in selling and serving to the general public, at retail, prepared food and beverages for immediate consumption. This includes, for example, lunch counters, refreshment stands, cafes, cafeterias, coffee shops, diners, dining rooms, 0lunch rooms, or tea rooms.